January 17, 2001

Ms. Magalie Roman Salas, Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

RE: Motion to Accept Late Filing
CC Docket No. 00-229: In the Matter of 2000 Biennial Regulatory Review—Telecommunications Service Quality Reporting Requirements

Dear Ms. Salas:

The Communications Workers of America (CWA) files this Motion to Accept Late Filing in the aforementioned proceeding. The late filing is due to technical difficulties we encountered in the electronic filing system on the comment due date of January 12, 2001. We respectfully request that the Commission accept the attached late filing.

Thank you.

Sincerely,

Debbie Goldman, Research Economist
Research and Development Department

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
2000 Biennial Regulatory Review -- Telecommunications Service Quality Reporting Requirements	)))	CC Docket No. 00-229

Comments of the Communications Workers of America

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Dated: January 12, 2001

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I. INTRODUCTION

The Communications Workers of America (CWA) appreciates the opportunity to comment on the issues raised by the Federal Communications Commission in its November 9, 2000 Notice of Proposed Rulemaking (FCC Notice).[1] CWA has an abiding interest in these proceedings at three levels. First, the CWA represents 740,000 workers, the majority of whom work in telecommunications. CWA-represented workers provide many of the telecommunications services upon which consumers rely. Technicians install, maintain, and repair the telecommunications infrastructure. Customer contact workers such as service representatives and operators address the queries made by many consumers to their carriers. Second, our members and their families also are consumers who require the very services their fellow workers supply. Finally, CWA-represented workers want to provide quality services to customers and see ARMIS data as an important source of information that will hold their employers accountable. Typically, members will provide anecdotal evidence about service quality problems at their telecommunications employer. CWA researchers then utilize various data sources to determine whether the reports are idiosyncratic or form part of a larger problem. The data provided to the FCC have formed a rich and rewarding source of information to inform our members and the public about important trends in the industry. [2]

The CWA agrees with the many statements in the FCC Notice recognizing that consumers require service quality information in a competitive environment.

> "The reporting program proposed in this Notice of Proposed Rulemaking (Notice) would arm consumers with the information they need to make informed decisions. This should, in turn, enhance carriers' opportunities to distinguish their products based on quality, and motivate carriers to deliver even higher quality, more innovative communications services".[3]

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[1] Federal Communications Commission, CC Docket No. 00-229 In the Matter of 200 Biennial Regulatory Review – Telecommunications Service Quality Reporting Requirements, "Notice of Proposed Rulemaking" Adopted November 9, 2000 (FCC Notice).

[2] For example, see Service Quality Problems at Sprint's Local Telephone Operations in North Carolina (1999), Service Quality Continues to Deteriorate at US West Communications (1998) and Service Quality Problems at Bell Atlantic (1995)

[3] FCC Notice p. 3.

> "We believe that even in a robustly competitive environment, public disclosure of quality of service information can be an important way to safeguard consumer interests. We are committed to maintaining and, when possible, improving the traditionally high level of service quality enjoyed by American consumers…"[4]
>
> "As we have recognized in our other recent consumer protection proceedings, the effective functioning of competitive markets is predicated on consumers having access (whether mandated access or access that arises voluntarily) to accurate, meaningful information, in a format they can understand."[5]
>
> "Information about service quality, like price, can and does have an effect on consumer purchasing decisions. Moreover, as we move into an era of multiple service providers and long-term service contracts, public availability of service quality information serves important consumer protection functions. Thus, in revamping our service quality reporting program, we seek to collect information that would be of most import to consumers."[6]
>
> "In various contexts, we have recognized the importance of information for a market to function efficiently. If consumers receive only limited information, the market will not function efficiently and consumers likely will not receive the quality they prefer. We hope to facilitate market efficiency by ensuring that consumers have the information they need to make informed buying decisions."[7]

These statements correctly reflect the needs of consumers in a market that is in the midst of transition. CWA-represented customer contact workers have received thousands of customer complaints about the lack of adequate, clear and comprehensible price and quality information in today's telecommunications marketplace.

Surprisingly, the FCC proposes that it should actually require less information from carriers even after these elegant statements supporting the need for more relevant consumer information that would allow markets to function efficiently. CWA strongly disagrees. The economic theory of competition as well as the reality of deteriorating

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[4] Ibid.
[5] Op. Cit. p. 5.
[6] Ibid.
[7] Op. Cit. p. 15.

service contradicts the proposed reduction of information provided to the FCC and, thus, the public.

CWA recommends that the FCC at the very least should retain the current level of required information. CWA is especially concerned about the FCC's proposal to eliminate the reporting of Repeat Trouble Reports and Subsequent Trouble Reports. CWA opposes elimination of measures that show a consistent and significant deterioration of service.

CWA also proposes a number of recommendations to improve the quality of data provided to the FCC and, thus, the public. Our comments recommend changes and additions to existing measures for installation and maintenance; creation of new measures for answer time performance and special services and DSL; and the uniform application of these measures for all carriers.

A. The FCC Proposal To Reduce Information Requirements Is Especially Inappropriate For Consumers In Markets Still Dominated by Incumbent Carriers

Consumers in non-competitive markets obviously are captive to the dominant carriers. They are not able to express their displeasure with service quality performance by migrating to another carrier. The only service quality information they may possess is formed by their own individual experiences. These consumers especially are reliant on the service quality information provided by state and federal regulatory commissions to inform them about the general level of service quality provided by their carrier. Carriers in non-competitive markets have many incentives to prevent the public disclosure of service quality information. Measures that indicate deteriorating service can lead to efforts to increase regulation and public oversight. At the very least, such publicity often is embarrassing.

Currently, competitive carriers have captured approximately 5% of the available access lines. The transition to a competitive local exchange marketplace is just beginning. It is too early to eliminate service quality reporting measures that provide information to ensure that dominant carriers are providing good service quality.

B. The FCC Proposal to Reduce Information Requirements Rests on the False Assumption that Competition Will Increase Service Quality

The FCC Notice states that its proposal to reduce the information to be supplied to consumers is based on the incentives created by the marketplace.

> "As the telecommunications market grows more competitive, the need for companies to provide good service to attract and keep customers should serve as an incentive to maintain high quality service. Under such circumstances, we foresee less of a regulatory role in monitoring service quality."[8]

The primary rationale for the "relaxation" or "streamlining" of the service quality reporting requirements rests on the belief that the "invisible" hand of competition will force companies to improve service quality. There are at least three significant problems with this line of reasoning.

First, competition cannot protect customers from a lack of adequate information. For example, the recommendation to eliminate any reports for "repeat troubles" is based on the theory that competition will force companies to fix such troubles quickly and efficiently - otherwise, their customers will get angry and change carriers. However, it would be quite difficult for a customer to change carriers in these cases. The FCC rationale would require a customer who already was subjected to a previous trouble to research other providers, make another choice, possibly pay another installation fee while still being without a properly functioning phone in the meantime AND still make another appointment to get the phone fixed. This does not make sense.

Another problem is that the theoretical underpinnings of the rationale for relaxing reporting requirements are weak. The FCC recommendations seem to assume that all competing companies will differentiate their products from the competition by offering superior service quality. This is one form of competition. However, companies just as likely may compete by reducing costs through workforce reductions or decreases in network maintenance functions. In this form of competition, the downward pressure on prices will induce many companies to look at ways to reduce costs in an effort to sustain

[8] Op. Cit. p. 5.

profit margins. In these cases, the FCC recommendations do not provide consumers with enough information to obtain a full picture of the level of service quality actually delivered by different carriers.

According to economic theory, markets can only function efficiently when comprehensive information is readily available to consumers. When this occurs, consumers are able to maximize their utility because they are able to make rational, fully informed decisions. However, when consumers are not fully informed they can and will make less than optimal decisions. In these cases, markets will not function efficiently. The FCC proposal to reduce the information available to consumers will inhibit the ability of consumers to maximize their utility. In such instances, consumers could make less than optimal decisions causing imperfections in the market. This, in turn, will send false signals to carriers about consumer decisions and their concerns about service quality. In such cases, the FCC's decision to reduce reporting requirements may actually inhibit market incentives for carriers to improve service quality.

Finally, the FCC's incomplete theory of competition that provides the rationale for relaxing reporting requirements is, in this case, contradicted by real experience. Since passage of the Telecommunications Act there has been a deterioration of service at a number of carriers. For example, from 1996 to 1999, repeat out of service trouble reports increased by 110% at the Sprint Local Telecom Division while access lines increased by just 23%.[9] Yet, the FCC proposes that this information be excluded from future reporting.

These trends are re-enforced by the results of a survey that found that carriers rate profitability above service quality. The VINA Technologies, Inc. survey concluded that

> "…competitive local exchange carriers (CLECs) are more concerned with achieving or maintaining access to capital and acquiring new customers than they are with addressing basic customer service issues. Incumbent local exchange carriers (ILECs) rated achieving or maintaining profitability and acquiring new customers as more important than customer issues."[10]

One could view this survey as indicating that carriers will focus on cutting costs and increasing short term profitability rather than investing more to improve service quality,

[9] Federal Communications Commission, ARMIS Data 43-05 Table IIa.
[10] Telecommunications Reports Daily, December 13, 2000.

customer loyalty and, thus, long-term profitability. This conclusion seems to be re-enforced by a deterioration of service quality at a number of companies.

Another example is provided by the one study of which we are aware that actually analyzes the effects of local competition. This study of San Diego - one of the first local residential and small business markets opened to competition – found that competition did not improve service quality. The study concluded: "Customers who attempt to conduct business with any of the competitive carriers must endure the same delays, confusion, deception and incompetence."[11] These problems have multiplied since the initial study was released: customer complaints have increased, telephone response times have deteriorated, inaccurate billing has ballooned and customer information has been used inappropriately.[12]

The ability of consumers to determine and compare the service quality offered by carriers will be made more difficult if the FCC proposal to reduce the available information is implemented. Consumers would not be able to compare carriers in terms of such important items as subsequent and repeat trouble reports. The FCC proposal would make it more difficult for interested individuals and groups to determine service quality trends over time and across states.

Markets can only function efficiently when comprehensive information is readily available to consumers. The FCC will inhibit the ability of consumers to maximize their utility if it reduces the information available. In such instances, consumers could make less than optimal decisions causing imperfections in the market. Consequently, the FCC will not obtain the improved service quality that it seeks.

C. The FCC Proposal to Reduce Information Requirements Gives More Weight to the Interests of Carriers Than to Those of Consumers

The FCC Notice states that its proposal to reduce the information to be supplied to consumers also is based on a desire to balance the benefits of more consumer information

[11] Utility Consumers' Action Network, "Local Telephone Competition: Dysfunctional and Disconnected," October 14, 1997.

[12] California Public Utilities Commission Rulemaking 98-06-029, "UCAN's Comments to Administrative Law Judge's Ruling Requesting Comments, March 29, 1999.

against the costs to carriers imposed by such information.

> "We are aware that any new reporting requirements must be carefully designed to balance our objectives of ensuring that carriers maintain a high level of service quality with the need to minimize burdens imposed on carriers."[13]

> "We are seeking to balance the consumer's need for information with the reporting burden on the industry. Furthermore, we are particularly mindful of the cost of collecting information, particularly on small carriers, and we are intent on minimizing such costs."[14]

Unfortunately, the FCC seems to be giving an inordinate amount of weight to increased marginal information costs on carriers rather than to the overall weight of information required by consumers. While the FCC Notice attempts to balance more information for consumers against the marginal cost for carriers, the FCC has not asked for any studies to quantify the costs to consumers for their lost time and opportunity costs because of a lack of information.

The CWA knows of no study that quantifies the marginal costs to carriers of supplying information to the FCC. Most, if not all, carriers maintain internal systems that already track initial trouble reports, repeat trouble reports, missed repair appointments, missed installation appointments, out of service commitments made and missed, etc. It would not seem to be much of a financial burden for most carriers to transfer such information to the FCC.

The FCC must weigh whether it is more important for it to increase corporate profits at the margin or "arm consumers with the information they need to make informed decisions. This should, in turn, enhance carriers' opportunities to distinguish their products based on quality, and motivate carriers to deliver even higher quality, more innovative communications services."[15]

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[13] FCC Notice, p. 5.
[14] Op. Cit. p. 11.
[15] FCC Notice p. 3.

D. The FCC Proposal Inappropriately Assumes that Consumers, Public Interest Groups, and State Regulators Need Less Information

The FCC Notice states that its proposal seeks to make service quality information more useful to consumers and state regulators by reducing the available amount of information.

> "We propose to eliminate reporting of many categories of information and thereby significantly reduce the regulatory burden for carriers, as well as to modify how other information is reported so that it will be more useful to consumers and to state and federal regulators."[16]

> "Our intent is to provide customers with relevant information about services that are of particular interest to them, not to increase our reporting requirements."[17]

The 2000 Convention of the National Association of Regulatory Utility Commissioners already adopted a resolution that apparently opposes the FCC's proposed reduction of reported information. The resolution states in part that

> "RESOLVED, that the NARUC generally supports the reporting of telephone service quality information at no less than its current level unless a showing can be made that the reporting is not crucial to the monitoring of service quality..."[18]

The FCC Notice only posited, but did not prove or supply any corroborating evidence that the information it proposed to be eliminated was not useful for service quality monitoring.

Similarly, the FCC provides no support for its implicit assumption that consumers would actually benefit from less information. Consumers are especially dependent on FCC provided data in those states that do not require any public disclosure of data that is collected by regulatory agencies or do not regulate service quality at all. In these instances, the FCC provides the only information publicly available.

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[16] Op. Cit. p. 2.
[17] Op. Cit. p. 7.
[18] NARUC 112th Annual Convention in San Diego, "Resolution on Telephone Service Quality Reporting", adopted November 15, 2000, included as Appendix C in the FCC Notice.

II. CATEGORIES OF PERFORMANCE DATA

Telecommunications both in the form of phone and data services act as the lifeline between the home, the office, the home-office and the outside world. If selected companies opt to provide inadequate service quality, public safety goals such as ensuring access to enhanced emergency service and continuing emergency access may be jeopardized. Public safety agencies rely upon the public switched network and even upon basic exchange service to provide public safety services. Conversely, consumers rely on properly working phones to contact public safety answering points. The public collection of service quality information will help assure the timely provision and repair and the high level of service reliability – by all providers – that is needed to promote public safety.

CWA agrees with the FCC Notice that "we think that what consumers care about is whether they can get service when they want it, and whether that service works."[19] As previously discussed, consumers in non-competitive markets especially are dependent upon the service quality information provided by state and federal regulatory agencies. However, as competition increases consumers will also want such information so that they can choose carriers with the best service records.

All consumers whether in competitive or non-competitive markets should have the ability to obtain all the information needed to assess adequately the quality of service offered by the telecommunications carriers in their market. The FCC Notice proposes six basic measures: percentage installations missed, installation intervals, trouble reports, repair intervals for out of service troubles, missed repair appointments and repair intervals. In this section, we examine the FCC proposals and make recommendations that would provide consumers with a more relevant, comprehensive and useful portrait of all carriers.

A. Installation Measurements

Reporting data about installation of basic service allows consumers to evaluate the adequacy of a provider's telephone plant facilities and workforce and its success in meeting the commitments made to customers. The FCC Notice proposes two installation

[19] FCC Notice, p. 7.

measures: missed installation commitments and the time it takes to install service. CWA recommends three basic measures: installations completed within five days, missed installation appointments, and held orders.

1. Percentage Basic Installation Orders Completed Within 5 Days

This measure will provide consumers with the information needed to compare the ability of providers to install orders within a reasonable amount of time. The calculation of this measure requires two sets of information: the total number of installation orders completed within five days divided by the total number of installation orders.

a. Installation Orders For Basic Service

CWA recommends that carriers report the total number of installation orders for basic service occurring within the reporting period. Installation orders would include new orders, transfer orders and change orders.[20]

Some may argue that only “primary” installation orders should be counted i.e., the first order to establish basic service to a residence or business excluding additional lines. From the standpoint of service quality there is no public policy justification for giving “primary” lines priority treatment over additional lines. Not that long ago, an additional line was presumed to a “luxury,” just as Touch Tone was once considered a luxury service compared to less expensive Rotary Dial. Yet today, customers increasingly rely on additional lines for advanced data and Internet communications - precisely the services that federal and state legislators seek to promote. Moreover, customers are certainly paying no less for those additional lines than for the primary line. Why then should they settle for any less service quality given the absence of a rate differential?

Two examples illustrate the importance of additional lines. Consider a business that orders six more lines for the six new workers it just hired. This business customer would hardly take comfort in the fact that the carrier installs these lines at a slower pace than the “primary” line. For many businesses, EACH line is important to its business operation and every hour or day that line is not functioning has a detrimental effect. A

[20] FCC Notice, Appendix C, NARUC Service Quality White Paper, p. 26.

recently married person who wants to order a separate line provides another example. Is that line any less than “primary.” Yet any recommendation limiting reporting to just the primary line perpetuates the baseless assumption that it is somehow unreasonable to expect carriers to provide the same high quality service and response times regardless of whether it is a first or additional line.

The recommendation to limit reporting to just primary lines assumes that competition will force companies to meet their installation orders – after all, this is the way the company can make money. However, there are two problems with this contention. First, a company also makes money by cutting costs and corners. To maintain profits telephone companies may choose to cut costs by reducing the number of workers in the field which, in turn, results in worse service to the customer. What protection do consumers have if competition leads to cost cutting and not to service improvement? Second - as previously discussed - the “primary line” recommendation places an unreasonable burden on consumers to adapt to poor service by companies – without any guarantee that the alternate phone company they choose will provide any better service.

b. Installation Orders for Basic Services Completed Within 5 days

CWA recommends that all carriers report the number of installation orders completed within 5 days. The “clock” should start ticking from the time the order is taken. All installation orders should be included in this measure. This measure would provide customers with a very useful tool in assessing the installation performance of different carriers and/or the installation trend within a particular carrier.

The measure of installations completed within five days is superior to a measure of the average completion time. Average completion times are skewed. For example, the average would include the installation of left in dial tone. These installations are completed at the switch and for that reason can be done at the time of the order. CWA has no problem with left in dial tone. However, the inclusion of such front-end installations skews the average interval for installation and provides customers with misleading information.

Providers may argue that their installation performance will suffer because some customers request a longer period of time. However, an exemption for customer initiated changes could act as an incentive for carriers to "game the system" by inappropriately coding changes in installation commitments as customer requests. In a major study, CWA found that one provider improves its installation measurements by just such a practice.[21] It should also be noted that the inclusion of such customer-initiated changes would be balanced by the inclusion of installation orders completed due to left-in dial tone. If the FCC allows providers to exclude installation commitment times due to customer requests then it should also exclude left in dial tone from this measure. However, either exclusion will make such measurements more complicated and uneven.

2. Held Orders

Consumers – and workers – are concerned with those service orders that are not installed for long periods of time. CWA agrees with the recommendation made by the NARUC Service Quality Working Group white paper (NARUC White Paper) that carriers report the number of requests or orders for basic service delayed over 30 calendar days.[22] This measure would provide consumers with important information when comparing the service quality of competing providers or discerning trends. Consumers would be forewarned about carriers that do not provide the requisite workforce or outside plant and, thus, have an inordinate number of held orders.

3. Percentage Missed Installation Commitments

Customers and workers are especially concerned with missed installation commitments. After all, residential and business customers often plan their schedules around such commitments. CWA agrees with the NARUC White Paper recommendation that all carriers should report 1) the number of missed installation commitments and 2) the total number of installation commitments during the reporting period.[23] The commitment

[21] CWA, Service Quality and Service Quality Reporting At Verizon-NY, November 1, 2000.
[22] FCC Notice, Appendix C, NARUC Service Quality White Paper, p. 26.
[23] Ibid.

date for installation is the result of a negotiation in which the carrier promises to install service by a specific date. It is important for customers to know the percentage of installation commitments that are missed by carriers. This information can be of use when a consumer is choosing a carrier.

B. REPAIR MEASUREMENTS

CWA agrees with the NARUC White Paper statement that "Reporting data about the maintenance and repair of basic service allows customers to evaluate the adequacy of the carrier's plant facilities and workforce, and the carrier's success at providing continual service for its customers."[24] The FCC Notice proposes four repair measures: trouble reports, average time to repair out of service troubles, time to repair, and missed repair appointments.[25] The CWA recommends a number of measures to adequately report customer trouble report rates, out of service troubles over 24 hours, service affecting troubles over 48 hours, and missed repair commitments.

1. Customer Trouble Report Rates

These measures will provide consumers with the information needed to compare the performance of different carriers according to the reliability of their networks. There are four trouble report rates that measure different attributes of a carrier's network.

a. Total Customer Trouble Report Rate

The Customer Trouble Report Rate (CTRR) provides an overall indication of the reliability of a carrier's network. The calculation of this measure requires two sets of information: the total number of trouble reports divided by the total number of access lines served by the reporting carrier.

Carriers should report the total number of initial, subsequent and repeat trouble reports occurring within the reporting period. The CWA agrees with the NARUC Service

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[24] Ibid.
[25] FCC Notice, pp. 7-9.

Quality Working Group white paper that recommended the reporting of all trouble reports.

> State commissions and U.S. Territories have encountered significant discrepancies in the exceptions found in audits of telecommunications carriers. One carrier may have a list of twenty or more reasons for excluding a trouble ticket from a report, while another utility may have only two or three acceptable exceptions. In order to facilitate benchmarking carrier performance and analysis of service quality data, the Technology Policy Subgroup suggests that telecommunications carriers simply pass along all trouble report data. By excluding the use of such exceptions, the Technology Policy Subgroup anticipates that the accuracy of the reported service quality data will increase while the reporting burden on the carrier will decrease.[26]

The FCC proposal would result in a lack of uniform reporting unless all trouble reports were included in the measure. Allowing exceptions would open the door to "gaming the system." For example, the New York Public Service Commission allows carriers to exclude troubles originating in a customer's inside wire or customer provided equipment (CPE). However, the CWA has found that one carrier reduces its customer trouble report rate by inappropriately coding troubles to CPE or inside wire.[27] Such "gaming" is not only wrong but it places carriers that do not "game the system" at a disadvantage. The FCC could reduce the possibility of such "gaming" by requiring carriers to report all troubles.

It is particularly important that the FCC continue to require carriers to report repeat and subsequent trouble reports. CWA has uncovered a significant decline in these measures whenever we have conducted studies of the service quality performance of particular carriers. A 1999 CWA study of service quality at Sprint's local North Carolina operations utilized ARMIS data showing a 110% increase in repeat out of service reports.[28] A 1998 CWA study of US WEST found that by 1997, fully one-third of all customers reporting a trouble also reported a repeat trouble. In addition, there was a

[26] FCC Notice, Appendix C, NARUC Service Quality White Paper, p. 26.
[27] CWA Service Quality Report.
[28] CWA, Service Quality Problems at Sprint's Local Telephone Operations in North Carolina, 1999.

161% increase in repeat out of service troubles from 1994-97.[29] A 1995 study of Bell Atlantic found that repeat troubles actually quadrupled from 1992 to 1994.[30]

In all these cases, a lack of investment in plant and a reduction of the available labor force caused the "quick fix" corporate practices that led to a deterioration of service quality. Company practices, which encouraged the repair technician to "band aid" a trouble rather than repair the underlying problem explained much of the dramatic increase in repeat trouble reports. The broad decline in service quality resulting from these practices was reflected only in the reported measurements. The public would have been limited to anecdotal evidence without the data reported to the regulatory commission. The FCC should not eliminate such measures that provide important indications about the level of service quality delivered to customers.

b. Initial Trouble Report Rate

While the total CTRR is useful it does not provide enough information for consumers. A number of factors influence the CTRR. One factor is the condition of the outside plant cables and drop wire facilities. One way to quantify the effectiveness of a carrier in maintaining its outside plant and other infrastructure is to measure the number of initial trouble reports made by consumers. The first calls received from customers are typically to report a breakdown, usually somewhere in the carrier's plant.

This measure is calculated by dividing the total number of initial trouble reports by the number of access lines.

c. Subsequent Trouble Report Rate

Another factor influencing the CTRR is the size of the workforce. One way to gauge success in this regard is to examine the "subsequent" trouble report rate. Subsequent reports are made after the initial trouble report but before the carrier has resolved the problem. Subsequent troubles tend to increase when there are not enough personnel to clear the troubles.

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[29] CWA, Service Quality Continues to Deteriorate at US West Communications, 1998.
[30] CWA, Service Quality Problems at Bell Atlantic, 1995.

There are many reasons customers call in subsequent reports but most are related to the continued existence of the initial trouble or the failure of the carrier to meet its scheduled repair appointment. The CWA disagrees with the FCC's proposal to eliminate any reporting requirements for subsequent reports. The public disclosure of subsequent reports as part of the CTRR acts as an incentive for companies to be vigilant about fixing repairs, dispatching technicians when needed, and meeting repair appointments. The FCC's proposal to eliminate subsequent reports will remove this incentive.

The reporting of subsequent troubles also can stimulate a company to respond more effectively to customer needs. For example, Verizon-NY has a customer call back program to reduce subsequent reports by customers whose appointments are met. The technicians are advised to see the customer before the job, keep the customer informed during all phases of the job and call the customer when the job is completed to make sure that he or she is satisfied. This is a constructive program created because subsequent troubles are reported. This is a good example of how required public reporting of service quality performance can actually motivate "carriers to deliver even higher quality, more innovative communications services."[31]

d. Repeat Trouble Report Rate

A third factor influencing the CTRR is the quality of the workmanship of craft employees and the availability of adequate facilities to fix troubles. One way to gauge these factors is to measure the "repeat" report rate. A repeat report is a trouble registered by a customer within 30 days after the initial trouble was "cleared" or "closed out." The CWA disagrees with the FCC proposal to eliminate the reporting of repeat trouble reports. Repeat reports often signify that the company's technicians could not fix the underlying problem. CWA represented technicians often are frustrated by the need to "band aid" problems because of a lack of facilities, especially copper pairs. Technicians also are frustrated by a lack of tools and training. A repeat trouble report rate would give

[31] FCC Notice, p. 3.

consumers a measure of the carrier's commitment to a quality workforce and infrastructure.

2. Repair Intervals

CWA represents hundreds of thousands of telecommunications workers. Our members know that consumers are very concerned when their telecommunications connections with the outside world do not function properly. The timely repair of service problems is an important consumer issue. It would be very advantageous for consumers to have information about the effectiveness and timeliness of repair in order to judge carrier performance. The CWA recommends that the FCC collect data on the two types of repair problems faced by consumers: out of service and service affecting troubles.

a. Out of Service Troubles Over 24 Hours

An out of service trouble can be a very serious issue – one that could affect the health and safety of the consumer. The monitoring of out of service troubles that are not fixed within twenty-four hours is one of the most common service quality measurements used by state regulatory agencies. The CWA recommends that the FCC adopt this measure for reporting purposes. An out of service over 24-hour measure is superior to the current ARMIS measure of the "average interval" of out of service troubles. The average interval metric does not give an accurate picture of the time it takes to fix critical out of service troubles. For example, the average repair interval is driven down because it includes front-end closeouts, i.e., those troubles that a computer either Tests OK or are fixed when the trouble is reported. Such outliers skew the average reported by the carrier.

The FCC should require carriers to report four measures that provide a more adequate portrait of a carrier's out-of-service troubles. These are:

i) *Percent Out of Service Troubles over 24 Hours.* This measure is calculated by dividing the number of out of service troubles that last longer than 24 hours by the total number of out of service troubles. While still allowing for front end close-outs, etc. this measure will provide a benchmark for comparing the performance of one carrier over time as well as the performance of different carriers.

ii) *Average Repair Interval For Out Of Service Troubles Over 24 Hours*. This measure would provide a more accurate portrait of the time it takes carriers to fix the most critical out of service troubles i.e., those that last more than 24 hours. This measure will not be artificially reduced by front-end close outs, etc.

iii) *Percent Subsequent Trouble Reports for Out of Service Over 24 Hours.* This measure allows consumers to compare carriers in terms of the ability to efficiently and adequately fix out of service troubles.

iv) *Percent Repeat Trouble Reports for Out of Service Over 24 Hours.* This measure allows consumers to understand whether out of service troubles are really fixed or continue to reappear over time.

b. Service Affecting Conditions

Service affecting troubles may range from light to major static, "bleeding," and other conditions that affect but do not interrupt service. Some service affecting troubles may even incapacitate communications. As a general rule, the FCC should instruct carriers to code severe static and other conditions as out of service rather than service affecting troubles. Given the proper coding of such troubles, CWA believes that a carrier's ability to fix service-affecting conditions should also be monitored. All too often, carriers do not have as much incentive to fix service-affecting conditions especially when these are not monitored. The CWA believes that service-affecting conditions that are not fixed within forty-eight hours should be monitored. This would require four separate measures.

i) *Percent Service Affecting Troubles Over 48 Hours*. This measure is calculated by dividing the number of service affecting troubles over 48 hours by the total number of service affecting troubles.

ii) *Average Repair Interval For Service Affecting Troubles Over 48 Hours.* This measure would provide a more accurate portrait of the time it takes carriers to fix service affecting troubles. A measure of the average interval to repair all service affecting troubles would be skewed by front end close outs that Test OK – even when such tests are inaccurate.

iii) *Subsequent Reports For Service Affecting Over 48 Hours*. This measure allows consumers to be able to compare carriers in terms of the ability of to efficiently and adequately fix out of service troubles.

iv) *Repeat Reports For Service Affecting Over 48 Hours*. This measure allows consumers to understand whether out of service troubles are really fixed or continue to reappear over time.

3. Missed Repair Commitments

Many CWA represented technicians receive angry comments from customers about missed repair appointments. Many customers have waited in vain for their telephone carrier to dispatch a technician to show up by the mutually agreed upon appointment time. Competition will not help the customer who already is waiting for a repair appointment. These customers form a captive market. It is a matter of common decency for carriers to meet appointments already scheduled with customers.

CWA agrees with the FCC recommendation that the number of missed repair appointments should be reported and provided to the public. However, it is important for the FCC to include all missed appointments in this measure. Any exemptions would provide an incentive for carriers to "game the system." For example, managers could either directly alter data or instruct workers to backtime, inappropriately code missed appointments as "No Access," or change commitment times without a customer request.[32] The inclusion of all missed commitments in the reporting measure would circumvent the impact of such inappropriate data entries.

C. Other Types of Information: Answer Time Performance

The FCC Notice sought comment on "whether carriers should report the length of time customers wait on hold before speaking to a customer service representative and the length of time a customer has to wait for a call back from a carrier."[33]

The interests of carriers and consumers are often opposed when it comes to the amount of time it takes for a customer to contact a live representative able to answer

[32] CWA , Service Quality and Service Quality Reporting At Verizon-NY, November 1, 2000.
[33] FCC Notice, p. 9.

adequately a consumer's questions or provide the needed information. Carriers know that time is money and have an incentive to increase waiting times. For example, a carrier that averages 20-seconds in answer time performance must employ enough workers to meet this standard. Yet, this same carrier can cut 33% of its customer contact workforce and save 33% of its expenses merely by changing the answer time performance from 20 to 30 seconds. The savings become astronomical when the carrier utilizes an automated response unit (ARU) that further increases wait times and allows for significant decreases in customer contact workers. Unfortunately, time is also money for customers.

Carriers may cite two reasons for the FCC to exclude any information for answer time performance: competition and cost. Some carriers may argue that competition will shorten wait times. After all, won't consumers migrate to another provider if they do not like the service they are currently receiving? However, CWA's experience shows that carriers have responded to competition by increasing, rather than decreasing waiting times. For example, competition has stimulated the prevalence of automated response units (ARUs) which actually lengthen the time customers have to wait on the line. Other carriers may argue that measuring answer time performance will be too costly. However, CWA knows that many carriers already track answer time performance and routinely utilize these measures for productivity purposes.

1. Automated Response Units

Technology is supposed to increase convenience, not diminish it. Yet many customers find that automatic response units delay their access to a live person who can address their problem. Customers all too often find themselves having to navigate through complicated electronic menus only to be ultimately connected to someone who lacks either the information or training to deal with the customers' inquiries.

Such systems should be used to enhance customer convenience, not to diminish the standard of service that was considered acceptable before the advent of such systems. Technology should be used to improve customer service, not degrade it. One of the worst characteristics of the ARU is that customers become captives of the phone company for billing, repair and directory assistance calls.

2. Answer Time Performance Measures

CWA recommends four measures for answer time performance. Answer time performance relates to the ability of customers to contact their carrier for new services, billing, directory assistance, operator-assisted calls, or reporting a trouble condition. An answer should be defined as contact with a live service representative or operator who can provide the information needed by the customer. The time spent in the ARU should be counted when determining answer time performance. The CWA recommends that carriers report the following information:

i) *Average Answer Time Performance for Billing*

ii) *Average Answer Time Performance for Repair*

iii) *Average Answer Time Performance for Installation*

iv) *Average Answer Time Performance for Directory Assistance*

3. Customer Call Back Measures

CWA has had much experience with carriers that inappropriately improve their answer time performance measure without providing a "real" answer to a customer's queries. During busy periods, some carriers have instructed service representatives to just tell customers that the information requires further study and that they will "call back" later. In other cases, service representatives do in fact need to obtain other information before answering the customer's questions. Unfortunately, in both these cases, some carriers do not provide the service representative with the "close time" needed to obtain the required information and call back the customer. This entire process allows the carrier to improve its answer time performance while not really providing the customer with an "answer." In such cases, customers must waste even more time to call the carrier yet again and ask the same questions and probably have to travel through the same complicated maze of menus before reaching a live person. CWA recommends that carriers report the length of time a customer has to wait for the carrier to call back, i.e., for a carrier to meet its own commitment to the customer. Carriers should report the following information:

i) *Total Number of Call Back Commitments Made.* This measure would provide an indication of whether a carrier services calls that require information gathering or suffers from the lack of an adequate workforce able and ready to answer customer queries.

ii) *Percentage Call Back Commitments Met Within 24 hours.* Most callbacks can be made within 24 hours.

iii) *Percentage Call Back Commitments Met Within 48 hours*. Some callbacks are more complex and take a bit more time to research. This measure will provide an indication of the more complex callbacks.

iv) *Percentage Call Back Commitments Over 48 hours.* A relatively large number of callbacks not made within 48 hours would indicate a problem.

III. BROADBAND SERVICES AND DSL

The FCC Notice seeks "comment on whether to gather information and report about service quality in the provision of broadband and other advanced services."[34] It is obvious that advanced services are playing an increasingly important role in the conduct of business in the U.S. The economic development of national, regional, state and local economies is tied integrally to the continued modernization of our telecommunications infrastructure. Of course, it is not enough to just modernize the infrastructure – it also must be properly maintained and the requisite services provided at a high level of quality. Yet, the FCC currently does not require the information needed to be able to discern the qualitative state of broadband services. Such information would allow consumers to compare the quality of services delivered and important trends. Policy makers could also use this information because it would reveal the overall condition of broadband services throughout the country.

[34] Op.Cit. p. 10

The New York Public Service Commission (NY PSC) developed a number of performance criteria to assess the quality of special services delivered by Verizon-New York.[35] The NY PSC utilizes the following measures:

Installation Performance

i) *On Time Performance measured by Percent of Installations Completed On or Before the Due Date*

ii) *Missed Installation Appointment Delays measured by the Average Number of Business Days by Which Unkept Appointments Are Missed*

iii) *Quality of Installation Work measured by Customer Trouble Report Rates per 100 Special Service Links During the First 30 Days of Service*

Maintenance and Repair Performance

i) *Reliability of Service measured by Customer Trouble Reports Per 100 Special Service Links*

ii) *Promptness of Repair measured by the Average Duration in Hours Between Customer Reporting and Telephone Company Clearing of Troubles*

The NY PSC utilized the reported data from these measures to verify customer complaints about the deteriorating quality of special services delivered by Verizon-NY. As a result, the NY PSC instituted a proceeding specifically focusing on the quality of special services at Verizon-NY.[36] It is important to note that the performance measurements used by the NY PSC may be expanded as a result of this proceeding.

The FCC should not only develop special services and DSL performance criteria but should require all carriers to report their performance.

IV. DISAGREEGATION OF DATA

The CWA supports the FCC in its stated desire to continue to differentiate between the business and residential markets.

[35] New York Public Service Commission, Special Service Guidelines.

[36] New York Public Service Commission, Case 00-C-2051, Proceeding to Investigate Methods to Improve and Maintain High Quality Special Services Performance by Verizon New York, Inc.

> "Currently, carriers… are required to report installation and repair information separately for businesses and residential customers. We propose to maintain this aspect of our reporting requirements. A review of data filed to date shows different quality of service performance in the residential and business markets… Permitting carriers to aggregate business and residential consumers into one class could provide a misleading picture of the carrier's performance with respect to each group of customers."[37]

Obviously, business and residential customers would benefit from information more directly reflective of the choices they must make between carriers in their own market. In addition, CWA-represented workers have long discerned a difference in treatment between larger businesses and residential customers. For example, the service quality delivered to businesses located in lower Manhattan is far superior to those delivered to customers in the largely residential areas in the rest of the city and the state.[38] Obviously, there are strong incentives for carriers to focus on the more profitable segments of the market. Consumers and policy makers could use the data collected by the FCC to identify the existence of any differences in the quality of services delivered to business and residential consumers. A broad and consistent pattern of different levels of service quality could even indicate a broad pattern of discrimination. This is information the FCC and consumers should be allowed to utilize.

V. REPORTING REQUIREMENTS

A. Uniform Reporting By All Carriers

CWA believes that every end-user of telecommunications service has every right to and expectation of adequate service quality irrespective of whether the service is provided by an incumbent or competitive exchange carrier. Similarly, every end-user should be able to obtain the same standard service quality information on all carriers that offer telecommunications service in his or her market. CWA agrees with the following statement made in the FCC Notice.

[37] FCC Notice, p. 10.

[38] New York Daily News, "How Your Phone Service Rates: It all depends on where you live, March 7, 1999; New York PSC Case 92-C-0665 Verizon New York, Inc., Service Quality Reports, various years.

> "We believe that if consumers had access to service quality data from all carriers providing local exchange service in their area, they would be in a better position to make an informed choice between, or among carriers."[39]

The existence of FCC reporting requirements applied to all carriers across the nation actually will provide consumers with a uniform standard to compare different carriers. The FCC Notice recognized the importance of such uniform standards.

> "Although states may, and likely will, continue to impose additional service quality reporting and performance requirements on carriers operating in their jurisdictions, our proposed national monitoring "floor" represents a uniform framework that can serve to minimize overall burdens associated with reporting the information."[40]

> "Our goal is to make available to consumers the service quality information they need to make informed choices as competition develops. Service quality information is of limited use to consumers, if they do not have access to comparable information for all carriers in their area."[41]

B. Mandatory, Not Voluntary, Reporting

Market forces alone will not provide adequate incentives for carriers to report their service quality performance to the public. Indeed, market forces may provide incentives to carriers to hide information for those services in which they perform poorly. The FCC would create a very uneven supply of information if it allows for voluntary reporting. Consumers would obtain some information on a number of carriers and no information on other carriers. The uneven provision of information would result in less than efficient choices made by consumers. Markets function best when consumers are well informed.

CLECs may argue that they should not be liable for problems due to the underlying facilities provided by an incumbent. However, when CLECs market their services they do not usually state that their quality of service relies upon the incumbent's facilities and workforce. Instead, CLECs market their services as distinct due to price, service quality, name brand, services offered, etc. As far as the end user is concerned, the carrier of choice is the one offering the service. CWA believes that all carriers – CLECs and ILECs –

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[39] FCC Notice, p. 10.
[40] FCC Notice, pp. 3-4.
[41] FCC Notice, p. 5.

should report the same information to the FCC and, thus, the public. This will allow consumers to make informed choices about the services that will actually be delivered to them by all the carriers in their market.[42]

C. Reporting on a Quarterly and Annual Basis

The CWA recommends that carriers report on a quarterly and annual basis. The CWA agrees with the following NARUC statement:

> "Because of the importance of monitoring the service quality trends in a timely manner, the Technology Policy Subcommittee recommends that ILECs and CLECs collect service quality data on a monthly basis and, to minimize their reporting burden, report the monthly service quality data to Federal and state regulatory commissions on a quarterly basis."[43]

In addition, annual figures for each of the measures would facilitate comparisons by consumers.

D. Uniform Reporting Requires Uniform Definitions

The FCC Notice requested comments on the need to specify definitions and business rules "so that comparisons between carriers will be accurate and meaningful."[44] CWA believes that uniform reports require uniform definitions. The CWA believes that the definitions supplied in the NARUC white paper provide a good start.[45] Other definitions should be developed to facilitate uniform reporting of specific measures. For example, a definition of an answer should be utilized if the FCC adopts answer time performance measures. CWA recommends that an answer be defined as "the point in time when a call has been delivered to a representative who is ready and able to render assistance and/or accept the information necessary to process the call. An acknowledgement that the customer is on the line does not constitute an answer."

It should be noted that uniform reporting requires uniform guidelines in addition to uniform definitions. CWA's recommendations attempted to minimize the ability of

[42] CLECs should be protected from substandard service quality through their interconnection agreements with the incumbent provider.
[43] Appendix C, NARUC Service Quality White Paper FCC Notice, p. 25.
[44] FCC Notice, p. 9.
[45] Appendix C, NARUC Service Quality White Paper FCC Notice, pp. 28-29

carriers to “game the system” through inappropriate coding, etc. For example, exemptions would not be allowed for customer trouble report rates or missed repair commitments. In this way, uniform definitions and guidelines would maximize the comparability of information provided to the FCC and, thus, to consumers.

E. Public Disclosure of Information

The CWA commends the FCC for its user-friendly presentation of service quality data. The current configuration is tremendously helpful – especially when compared to the information available a few years ago that required knowledge of different codes and numbers. As a general rule, the CWA supports any measure that improves the ability of consumers and interested parties in obtaining the information collected by the FCC. Thus, the CWA supports the retention of measurements that provide information on network reliability. CWA strongly supports the retention of data on complaints to the FCC and to state commissions.

VI. CONCLUSION

There are few, if any, non-regulatory incentives for carriers – whether in competitive or non-competitive markets - to supply service quality information to the public. The provision of such information at the state level is uneven: some states collect and release such data, other states collect and do not release the data and other states do not even regulate service quality. In all cases, the FCC is the only national source for service quality information. Consumers and other interested parties – including CWA – depend upon the FCC data to inform themselves and the public at large about the actual level of service quality delivered to consumers. This information is needed to understand the condition and trend of service quality within a particular carrier and to enable comparisons between carriers. CWA strongly recommends that the FCC – at a minimum – retain the current measures. However, CWA also believes it is in the public interest to improve the FCC reporting measures to provide consumers with a more understandable and complete picture of service quality. CWA recommends that the FCC adopt our recommendations that, we believe, would improve the quality of data provided to the FCC and, thus, the public.

Respectfully Submitted,

Communications Workers of America

By ___________________

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